

No. 4184

**NETHERLANDS
and
NORWAY**

**Agreement for repayment and amortization. Signed at
Paris, on 9 July 1954**

**Additional Protocol to the above-mentioned Agreement.
Signed at Paris, on 29 June 1956**

Official text: French.

Registered by the Netherlands on 3 March 1958.

**PAYS-BAS
et
NORVÈGE**

**Accord de remboursement et d'amortissement. Signé à
Paris, le 9 juillet 1954**

**Protocole additionnel à l'Accord susmentionné. Signé à
Paris, le 29 juin 1956**

Texte officiel français.

Enregistrés par les Pays-Bas le 3 mars 1958.

[TRANSLATION — TRADUCTION]

No. 4184. AGREEMENT¹ FOR REPAYMENT AND AMORTIZATION BETWEEN THE KINGDOM OF THE NETHERLANDS AND THE KINGDOM OF NORWAY. SIGNED AT PARIS, ON 9 JULY 1954

The Government of the Kingdom of the Netherlands and
The Government of the Kingdom of Norway,

Desiring to conclude an agreement for repayment and amortization in accordance with the decisions of the Organization for European Economic Co-operation relating to the renewal of the European Payments Union (hereinafter referred to as the Union) for the year 1954-55,

Have agreed as follows :

Article 1

This Agreement shall apply to 8 million units of account of the Netherlands claims on the Union and 8 million units of account of the Norwegian debt to the Union.

Article 2

(a) One quarter of the said sum of 8 million units of account, namely, 2 million units of account, shall be paid by the Norges Bank to the Nederlandsche Bank in gold, dollars or any other currency acceptable to the Nederlandsche Bank, at the option of the Norges Bank, on the value date of operations for the month of June 1954.

(b) The positions of the Netherlands and of Norway in the Union shall be reduced in accordance with the principles laid down in the aforementioned decisions of OEEC.

Article 3

(a) The remaining three-quarters of the sum of 8 million units of account, namely, 6 million units of account, shall be repaid over a period of seven years beginning 1 July 1954.

During the life of the Union, the repayments shall be made, at the option of the Norges Bank, in gold, dollars or any other currency acceptable to the Nederlandsche Bank, in equal monthly instalments.

¹ Came into force on 9 July 1954, upon signature, in accordance with article 9.

Each monthly instalment shall therefore amount to :

$$\frac{6 \text{ million}}{7 \times 12} \text{ units of account}$$

After the liquidation of the Union, the repayments shall be made in equal semi-annual instalments.

Each semi-annual instalment shall therefore amount to :

$$\frac{6 \text{ million}}{7 \times 2} \text{ units of account}$$

(b) Beginning 1 July 1954 and until the liquidation of the Union :

- i. The Norwegian Government shall be entitled to prepay, on any due date, all or part of the outstanding instalments.
- ii. If Norway becomes a creditor in its cumulative accounting position in the Union, the Norwegian Government shall be entitled to suspend the repayments provided for above so long as that situation continues to exist.

If, in its cumulative accounting position in the Union, the Netherlands becomes a debtor, the Netherlands Government shall be entitled to cause the repayments to be suspended so long as that situation continues to exist.

If Norway, in its cumulative accounting position, becomes a creditor at the same time as the Netherlands, in its cumulative accounting position, becomes a debtor, the repayments shall be suspended so long as that situation continues to exist unless the two Governments decide otherwise by agreement between them.

- iii. The positions of the Netherlands and of Norway in the Union shall be adjusted monthly by deduction of the monthly instalments repaid from the credit granted by the Netherlands to the Union and by the Union to Norway.

(c) On the liquidation of the Union, the outstanding balance of the debt shall be represented by Treasury bearer bonds issued by the Norwegian Government and placed at the disposal of the Nederlandsche Bank.

From that date, any prepayment shall be subject to the agreement of the two Governments.

The said Treasury bonds shall be denominated and payable in guilders.

The calculation in guilders shall be made on the basis of the stated parity of the guilder in relation to the unit of account on the date of liquidation of the Union.

The calculations made in application of the provisions on liquidation of the Union (annex B, section II, paragraphs 16 to 18, of the Agreement for the Establishment of the Union) may, however, show a debt greater or smaller than the outstanding balance :

- i. If the Norwegian debt is smaller than the outstanding balance, the Norwegian Government may at its choice either :
- Continue to make the repayments provided for in article 3 (a) until that debt is extinguished ; or
 - Pay the amount of that debt in equal semi-annual instalments spread over the unexpired portion of the period of amortization provided for in this Agreement.
- The value and number of the Treasury bonds shall be adjusted accordingly.
- ii. If the Norwegian debt is greater than the outstanding balance, the difference between the two debts shall be settled in conformity with annex B of the Agreement.

Article 4

The Treasury bonds referred to in article 3 (c) shall be divided into denominations of the amount requested by the Nederlandsche Bank, and the total thereof maturing in each of the outstanding semi-annual periods shall be equal to the amount of the corresponding semi-annual instalment.

Each Treasury bond shall bear notice of its date of maturity and shall be provided with interest coupons.

Interest shall be payable semi-annually or by fractional part of such semi-annual period if the bonds mature in less than six months. The coupons shall bear due dates drawn up accordingly.

Article 5

The rates of interest shall be fixed as follows :

(a) The Treasury bonds maturing no later than 30 June 1958 shall bear interest at the rate of $2\frac{3}{4}$ per cent per annum.

(b) The Treasury bonds maturing between 1 July 1958 and 30 June 1961 shall bear interest at the rate of $3\frac{1}{4}$ per cent per annum.

Article 6

(a) The Treasury bonds delivered by the Norwegian Government to the Nederlandsche Bank in representation of its debt may be placed on the Netherlands market by the Netherlands authorities as they see fit.

(b) It is understood that the Norwegian Government shall be discharged of its debt by payment to the Nederlandsche Bank of the interest and amortization due ; the Treasury bonds shall include a clause to that effect.

Article 7

If at any date before the liquidation of the Union one or both of the Contracting Parties withdraw from the Union, the measures provided for in this Agreement in the event of the Union being liquidated shall apply.

Article 8

The Nederlandsche Bank and the Norges Bank shall be responsible for giving effect to the preceding provisions and shall, by mutual agreement, determine the procedure for doing so in so far as such procedure is not specified above.

Article 9

This Agreement shall come into force on the date of its signature.

DONE at Paris, on 9 July 1954.

For the Government
of the Kingdom of the Netherlands:

(Signed) J. C. KRUISHEER

For the Government
of the Kingdom of Norway:

(Signed) Arne SKAUG

ADDITIONAL PROTOCOL¹ TO THE AGREEMENT FOR REPAYMENT AND AMORTIZATION OF 9 JULY 1954² BETWEEN THE KINGDOM OF THE NETHERLANDS AND THE KINGDOM OF NORWAY. SIGNED IN PARIS, ON 29 JUNE 1956

The Government of the Kingdom of the Netherlands and the Government of the Kingdom of Norway, signatories of the Agreement for repayment and amortization between the Kingdom of the Netherlands and the Kingdom of Norway, signed in Paris, on 9 July 1954² (hereinafter referred to as the Agreement), desiring to conclude an additional protocol to the Agreement in accordance with the decisions of the Organization for European Economic Co-operation relating to the renewal of the European Payments Union (hereinafter referred to as the Union) for the year 1956-1957, have agreed as follows :

Article 1

This Additional Protocol to the Agreement shall apply to 12.5 million units of account of the Netherlands claims on the Union and 12.5 million units of account of the Norwegian debt to the Union.

Article 2

(a) One fifth of the said sum of 12.5 million units of account, namely, 2.5 million units of account, shall be paid by the Norges Bank to the Nederlandsche Bank in gold, dollars or any other currency acceptable to the Nederlandsche Bank, at the option of the Norges Bank, on the value date of operations for the month of June 1956.

(b) The positions of the Netherlands and of Norway in the Union shall be reduced in accordance with the principles laid down in the decisions of the Council of OEEC.

Article 3

The remaining four-fifths of the sum of 12.5 million units of account, namely, 10 million units of account, shall be repaid over a period of six years beginning retroactively from 1 April 1956. During the life of the Union, the repayments shall be made, at the option of the Norges Bank, in gold, dollars or any other currency acceptable to the Nederlandsche Bank, in equal monthly instalments.

¹ Came into force on 29 June 1956, upon signature, in accordance with article 6.

² See p. 181 of this volume.

Each monthly instalment shall therefore amount to :

$$\frac{10 \text{ million}}{6 \times 12} \text{ units of account}$$

The monthly instalments which have fallen due before the signature of this Protocol and the monthly instalment falling due on 30 June 1956 shall be paid by the Norges Bank to the Nederlandsche Bank in gold, dollars or any other currency acceptable to the Nederlandsche Bank, at the option of the Norges Bank, on the value date of operations for the month of June 1956.

After the liquidation of the Union, the repayments shall be made in equal semi-annual instalments.

Each semi-annual instalment shall therefore amount to :

$$\frac{10 \text{ million}}{6 \times 2} \text{ units of account}$$

Article 4

The provisions of articles 3 (b) and (c), 4, 6, 7 and 8 of the Agreement shall apply to the repayment and amortization provided for in this Protocol.

Article 5

The Treasury bonds representing, on the liquidation of the Union, the outstanding balance of the Norwegian debt referred to in article 1 of this Protocol shall bear interest at the rate of 3 $\frac{1}{4}$ per cent per annum.

Article 6

This Agreement shall come into force on the date of its signature. As regards the Kingdom of the Netherlands, this Agreement shall be applicable only to the Kingdom in Europe.

DONE in Paris, on 29 June 1956.

For the Government of the Kingdom of the Netherlands :

(Signed) J. C. KRUISHEER

For the Government of the Kingdom of Norway :

(Signed) Jahn HALVORSEN